

me
5/20/74

W



The President's Daily Brief

May 20, 1974

3

~~Top Secret~~

25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1)(2)(3)
declassified only on approval of
the Director of Central Intelligence

THE PRESIDENT'S DAILY BRIEF

May 20, 1974

PRINCIPAL DEVELOPMENTS

Preliminary analysis of India's first nuclear detonation

(Page 1)

25X1

Israeli patrol boats yesterday shelled the second largest Palestinian refugee camp in Lebanon. Elsewhere fighting was light. (Page 3)

Giscard d'Estaing's maiden speech as President of France is being interpreted as an effort to improve the tone of Franco-US relations. (Page 4)

Extremely close election returns in Australia so far point to the Labor government's continued control of the House, and thus the government. (Page 5)

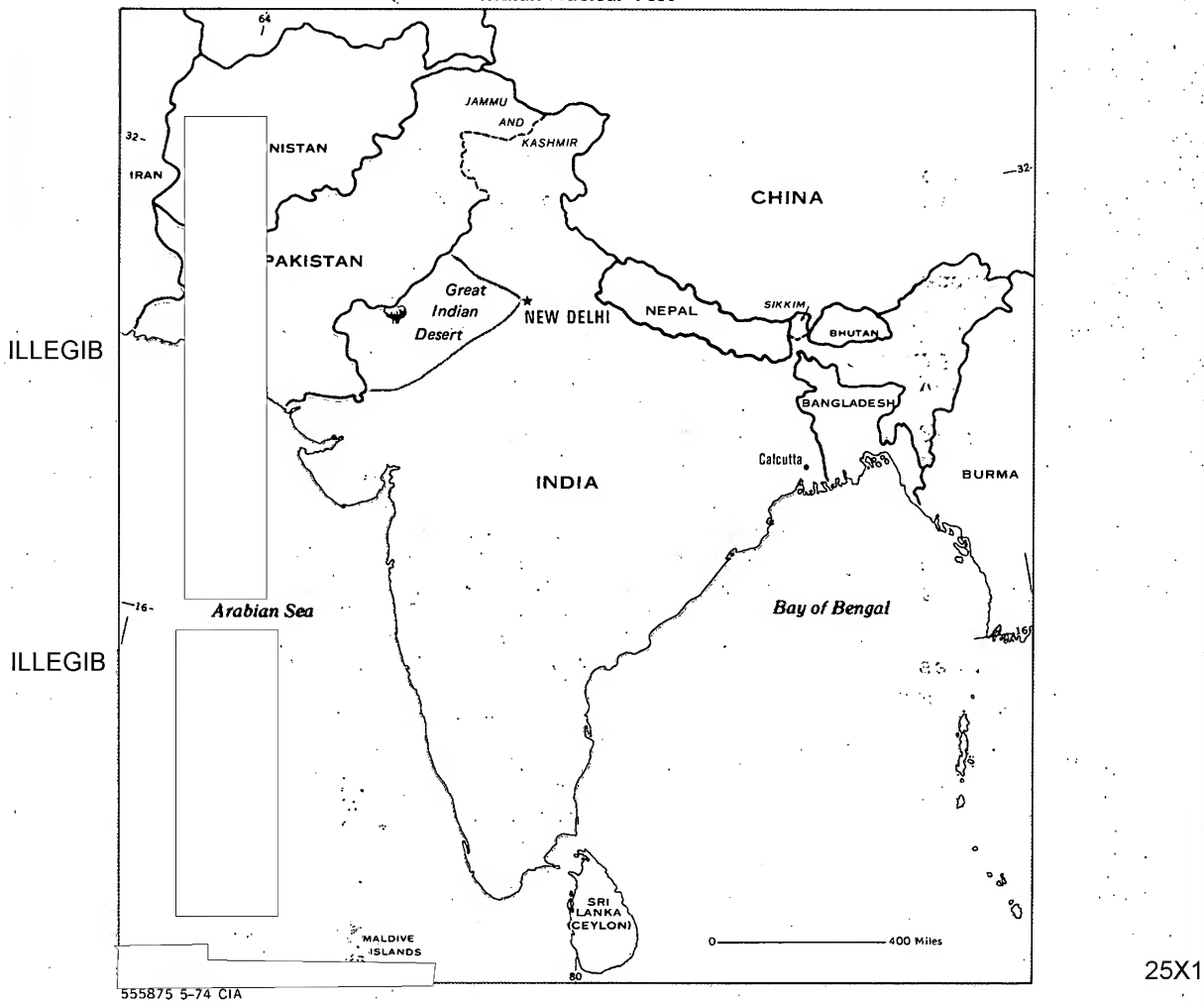
Turkish Prime Minister Ecevit announced yesterday that his four-month-old coalition government could not continue in office. (Page 6)

Communist military attacks in South Vietnam increased during the weekend. (Page 7)

Chou En-lai's public appearances this weekend show that he continues on a reduced schedule. Arab foreign and defense ministers meet today in Cairo. (Page 8)

FOR THE PRESIDENT ONLY

Indian Nuclear Test



25X1

FOR THE PRESIDENT ONLY

INDIA

Preliminary analysis of seismic data from India's first nuclear detonation [REDACTED]

25X1

The detonation occurred at a depth of slightly more than 100 meters and was completely contained, according to the chairman of India's Atomic Energy Commission, Dr. H. N. Sethna. Indian scientists who made an aerial survey over the area within 30 minutes of the blast reportedly detected no significant radioactivity. The device reportedly utilized the "implosion" technique, a more sophisticated approach than the "gun assembly" method used by the US in the bomb dropped on Hiroshima.

Dr. Sethna was noncommittal when asked if any more tests were planned. The New Delhi press reported yesterday, however, that a series of nuclear explosions will be carried out. No program was disclosed, but Indian officials are said to have stated that the purpose would be to develop atomic devices for use in mining, canal construction, and the deepening and widening of ports.

25X1

There will undoubtedly be strong pressures on the government to develop a military capability. [REDACTED] the Indians deny any intention to produce nuclear weapons, [REDACTED]

25X1

25X1

25X1

25X1

25X1

25X1

(continued)

FOR THE PRESIDENT ONLY

* * *

Peking's initial reaction was a terse, factual announcement broadcast by the New China New Agency's domestic service some 24 hours after the test. Chinese spokesmen have thus far refused to make any comment.

China has much to sort out in formulating a substantive response. Peking has consistently maintained that its own nuclear capability is purely defensive and aimed solely at breaking the nuclear monopoly of the "superpowers." The Chinese have opposed nuclear arms limitations proposals, particularly the 1968 Non-Proliferation Treaty, on the grounds that they contribute to this monopoly. Peking has refused, for example, to take a stand against France's development of independent nuclear capabilities pending an international agreement banning all nuclear weapons.

The Indian test, however, has direct security implications for China. Peking has long looked on New Delhi as a rival in Asia, and relations between them cooled even further after India became a Soviet treaty partner in 1971.

In a hard-hitting public statement, Pakistani Prime Minister Bhutto insisted Pakistan would never be intimidated by the threat created by India's nuclear capability. He said that Pakistan would attempt to secure political assurances against India's use of a nuclear threat. Bhutto added that the possibility of a no-war pact proposed by India in 1971 is out of the question now because it would amount to capitulation to blackmail.

Pakistan's Foreign Secretary is being sent to China, France, and the UK, and Bhutto himself is raising the matter with Soviet leaders and officials in Canada.

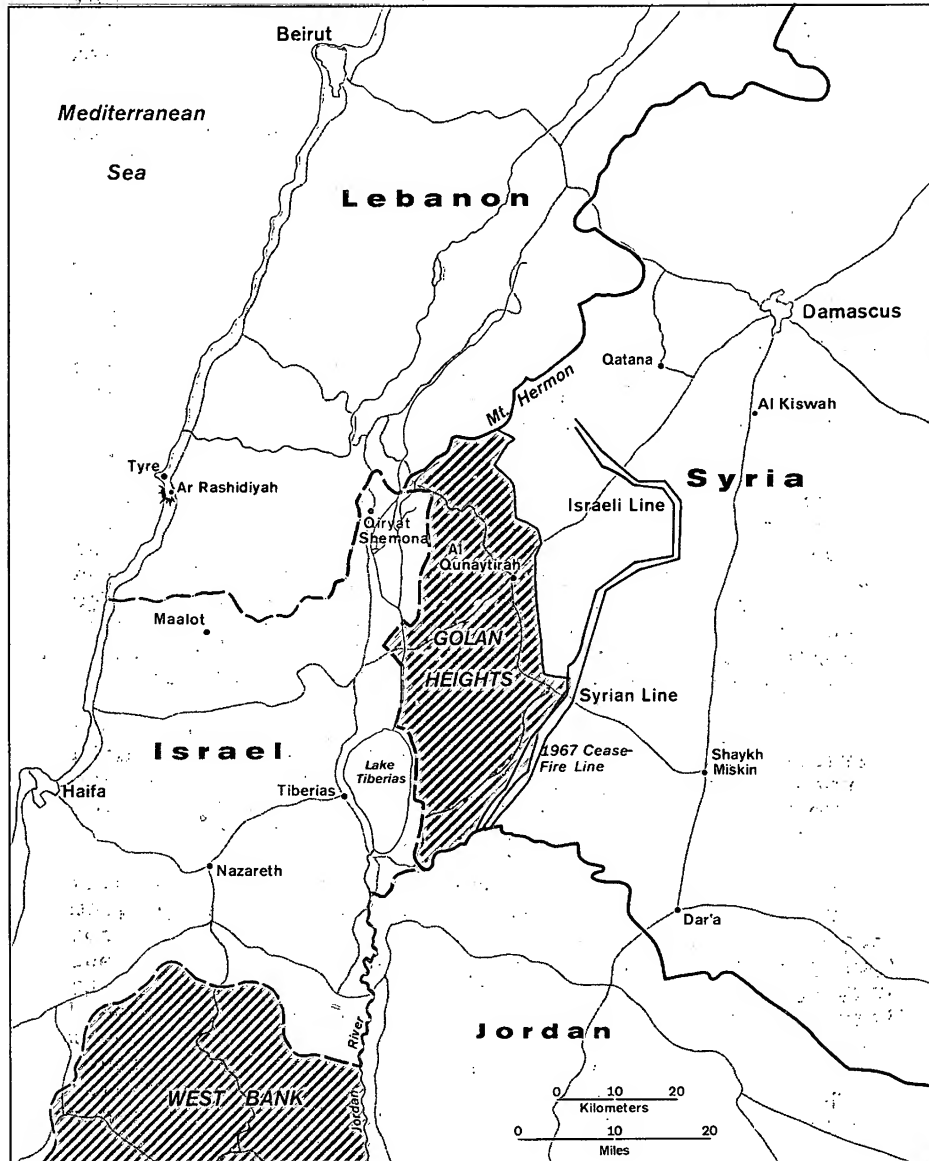
25X1

The Soviet news agency Tass called the test a "peaceful explosion" and said India was "striving to keep up with world technology in the peaceful uses of nuclear explosions."

The Japanese predictably are reacting with dismay. Tokyo papers have denounced the test, which the Japanese are likely to view as an unsettling factor in Asian affairs.

FOR THE PRESIDENT ONLY

Palestinian Camp Shelled By Israeli Patrol Boats



555874 5-74 CIA

25X1

FOR THE PRESIDENT ONLY

ISRAEL-LEBANON-SYRIA

Israeli naval patrol boats yesterday shelled the Ar Rashidiyah Palestinian refugee camp, the second largest in Lebanon. [REDACTED]

25X1

[REDACTED]

25X1

Beirut reported that Lebanese army troops and Palestinian guerrillas damaged one of the Israeli patrol boats. Tel Aviv, however, states that all boats returned safely and that there were no casualties. Initial reports of Palestinian losses state that at least five persons were killed and twelve were wounded.

Israeli aircraft flew reconnaissance missions and defense patrols over southern Lebanon and the Golan Heights on both Saturday and Sunday. There were no strikes against either Lebanese or Syrian targets. Lebanese authorities reported that Israeli forces fired mortar rounds into Lebanon near Mount Hermon and into border areas between Tyre and Qiryat Shemona on Friday night. Ground fighting between Israel and Syria was light over the weekend; only sporadic artillery and mortar fire was exchanged.

FOR THE PRESIDENT ONLY

FRANCE

Independent Republican Valery Giscard d'Estaing was elected President of France yesterday by a razor-thin margin. Giscard claimed his prize in a late-night televised speech, which he immediately repeated in English. The press is already interpreting this move as his first effort to improve the tone of Franco-US relations.

Mitterrand conceded at midnight. His ally, Communist party chief Georges Marchais, added that leftist deputies will immediately demand action on Giscard's promised social and economic reforms. [REDACTED]

25X1

[REDACTED] Giscard will have several months, probably until September, to set his reforms in motion before facing any serious pressures, such as strikes and demonstrations, from a dissatisfied left.

25X1

FOR THE PRESIDENT ONLY

AUSTRALIA

Extremely close election returns to date point to the Labor government's continued control of the House of Representatives and thus the government. The government's majority, however, probably will be trimmed from the eight-seat margin it had in the previous Parliament. Senate returns are still fragmentary, and it is uncertain whether Labor will achieve control over the upper house. Whitlam's frustration with the obstructionism of the opposition-controlled Senate was what led him to call the elections.

The apparently slim margin of the Whitlam government's return to office will reduce the likelihood of its being able to move ahead on its stalled legislative program.

The final composition of the House may not be known for two weeks. Australian law requires that in case of a close House race, election authorities must wait ten days for absentee ballots to come in before proceeding to a final count. The tally of votes for the Senate will be particularly complicated under the Australian system of preferential voting, and the final Senate lineup may not be known for a month.

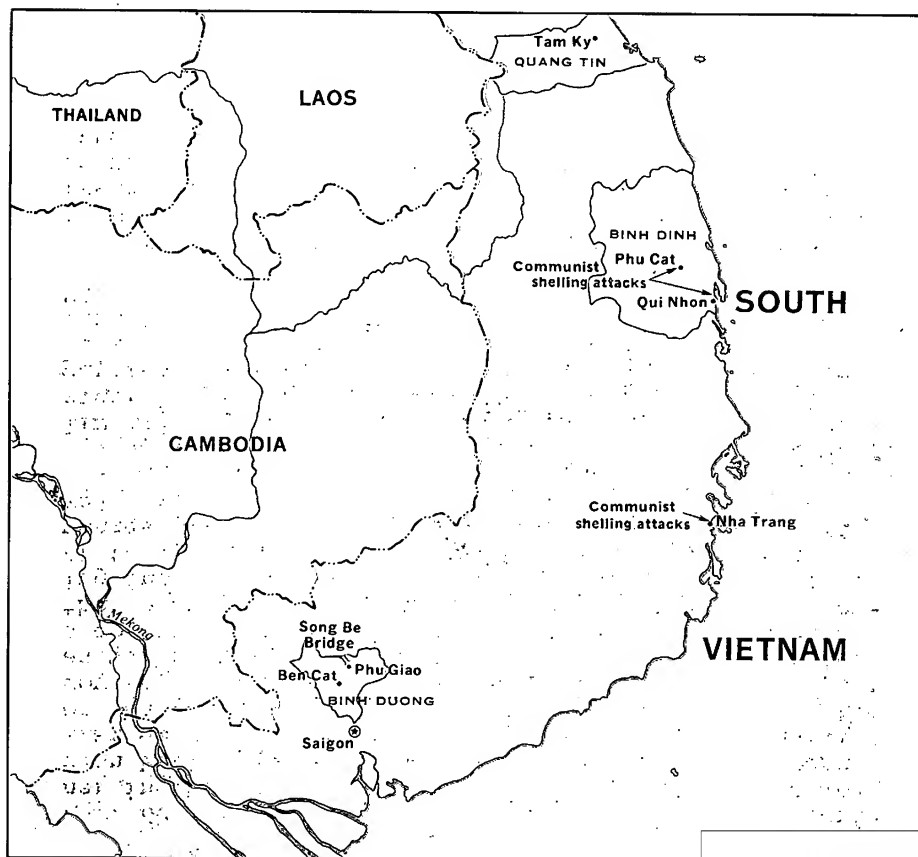
TURKEY

Prime Minister Ecevit's Republican Peoples Party announced yesterday that the four-month-old coalition government could not continue in office "under present conditions."

Ecevit is now conferring with the minority partner in the coalition, the right-wing National Salvation Party, whose failure to support the government last week on a crucial amnesty bill put the viability of the coalition in doubt. Formal resignation of the government would usher in a period of uncertainty, as Turkey would have to undertake a fresh search for a government under the same difficult circumstances that plagued its attempt to form a government following inconclusive parliamentary elections last fall. At that time it took the political parties three months to put together a coalition with the required majority.

Ecevit's resignation would probably have only a limited effect on the government's decision to reconsider lifting the ban on opium production, as all parties now favor lifting the ban. A right-wing coalition, however, might be more sensitive to the implications of lifting the ban on relations with the US.

The alternatives now facing the government are an Ecevit-led minority government, some kind of caretaker regime, a new coalition, or elections, which no party favors holding soon. Any of these could involve a long political stalemate.



555876 5-74 CIA

25X1

SOUTH VIETNAM

Communist military activity continued at an increased pace over the weekend. Sharp ground fighting was reported in several areas, particularly near Tam Ky in northern Quang Tin Province. Communist forces shelled Qui Nhon, the capital of coastal Binh Dinh Province, with rockets. South Vietnamese air bases at nearby Phu Cat and Nha Trang also were attacked with rockets.

Nearer Saigon, the South Vietnamese reinforced the Ben Cat and Phu Giao sectors of Binh Duong Province with three armored and infantry task forces. They also launched retaliatory ground and air strikes against elements of the Communist 7th and 9th Divisions, which last week overran several outposts and villages near Ben Cat and threatened to take the Song Be bridge, thus isolating the town of Phu Giao. The South Vietnamese air force claims to have destroyed two of the five or six tanks that supported Communist ground attacks in these areas.

FOR THE PRESIDENT ONLY

NOTES

China: Chou En-lai's public appearances during the visit of Cypriot President Makarios this weekend show that he continues to be on a reduced schedule. Chou did not appear at the airport arrival ceremonies, but he greeted Makarios at the Peking guest house, conducted the initial round of substantive talks, and accompanied Makarios during a meeting with Mao. Vice Premier Teng Hsiao-ping stood in for Chou as host of a state banquet.

25X1

25X1

Arab League: Arab foreign and defense ministers meet today in Cairo for a scheduled two-day session of the Arab League Defense Council. Among the issues to be discussed will be the Arab arms industry, the current situation in the Middle East, and cooperation between the Arabs and the European Communities. Arab League Secretary General Riyad stated yesterday that he would discuss Damascus' request for an Arab summit meeting with the Syrian delegation.

Top Secret